



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MAY 29 2013

VIA FIRST CLASS MAIL

Alexander Rabb, Esq.
Levy Ratner, P.C.,
Attorneys at Law
80 Eighth Avenue, 8th Floor
New York, NY 10011-5126

RE: MUR 6480

Dear Mr. Rabb:

On July 12, 2011, the Federal Election Commission notified your clients, Working Families Campaign Committee and Mary Rydingsward in her official capacity as treasurer and CT Working Families Federal PAC d/b/a Take Back Congress CT and Timothy Sullivan in his official capacity as treasurer, of a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act").

On December 18, 2012, the Commission found, based upon the information provided in the complaint and information provided by your clients, there was no reason to believe your clients violated the Act. Accordingly, the Commission closed its file in this matter on May 21, 2013.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analyses, which more fully explain the Commission's findings, are enclosed.

If you have any questions, please contact Ruth Heilizer, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Anthony Hegman
General Counsel

BY: Jeff S. Jordan
Supervisory Attorney
Complaints Examination and
Legal Administration

Enclosures: Factual and Legal Analyses

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FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: CT Working Families Federal PAC **MUR 6480**
d/b/a Take Back Congress CT
Timothy Sullivan in his official capacity as treasurer

I. INTRODUCTION

This matter was generated by a Complaint filed by Christopher Healy, State Party Chairman of the Connecticut Republicans, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). It was scored as a low-rated matter under the Enforcement Priority System, a system by which the Federal Election Commission ("Commission") uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue.

A. Factual Background

The Complaint alleges that CT Working Families Federal PAC d/b/a Take Back Congress CT, a state party committee registered with the Commission, and its treasurer (collectively the “Federal PAC”), violated the Act and Commission regulations because the Federal PAC failed to use the same name as the state party with which it is affiliated, that is the “Working Families Campaign Committee” (the “State Party”).¹ The Complaint further asserts that the Federal PAC violated the Act by accepting contributions from the State Party. Finally, the Complaint alleges that the Federal PAC failed to list these contributions “as income” in its financial disclosure reports.

The State Party is an independent political party registered with the Connecticut State Elections Enforcement Commission.

1 In its Response, the Federal PAC argues that its name complies with Commission
2 regulations as it does not include the name of any candidate.² With respect to the allegation
3 that the payments from the State Party to the Federal PAC were illegal contributions, the
4 Response states that the payments were not contributions but rather reimbursements for
5 shared activities that were funded by the Federal PAC.

6 **B. Legal Analysis**

7 With respect to state party committees registered with the Commission, the only
8 naming requirement is that "such political committee shall not include the name of any
9 candidate in its name." 2 U.S.C. § 432(e)(4). CT Working Families Federal PAC d/b/a
10 Take Back Congress CT is not an authorized committee of a candidate and does not use the
11 name of a candidate in its name. Therefore, there is no reason to believe that Federal PAC
12 and Timothy Sullivan, in his official capacity as treasurer, violated 2 U.S.C. § 432(e)(4)
13 with respect to the Committee's registered name.

14 Political committees are prohibited from knowingly accepting a contribution that
15 does not conform to the Act's contribution limits and source prohibitions. *See* 2 U.S.C.
16 § 441a(f); 11 C.F.R. § 110.9. However, a state party that has established a nonfederal
17 account may allocate certain expenses, such as administrative expenses, between its federal
18 and nonfederal accounts and transfer funds from its nonfederal account to its federal
19 account to cover the nonfederal share of allocable expenses. *See* 11 C.F.R. §§ 102.5, 106.7.

² The Response also asserts that the Commission was on notice of the difference in the names between the Federal PAC and State Party in Advisory Opinion 2010-22. In that AO, the Federal PAC requested that the Commission consider whether Connecticut Working Families Federal PAC d/b/a Take Back Congress CT would qualify as a State committee of a political party — the Connecticut Working Families Party — within the meaning of the Act and Commission regulations.

1 On July 28, 2011, the Federal PAC disclosed the payments from the State Party in a
2 series of amended financial disclosure reports, which included a Schedule H3
3 (administrative expenses).³ Thus, the Federal PAC ultimately reported the payments from
4 the State Party as allocable expenses. Accordingly, there is no reason to believe that CT
5 Working Families Federal PAC d/b/a Take Back Congress CT and Timothy Sullivan, in his
6 official capacity as treasurer, violated 2 U.S.C. § 441a(f) with respect to the receipt of
7 reimbursements for allocable activity.

³ Following the receipt of the Complaint, on July 28, 2011, the Federal PAC amended its 2010 Year-End, February 2011 Monthly, and March 2011 Monthly reports to include a Schedule H, which reflects the expense reimbursements referred to in the Complaint.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Working Families Campaign Committee MUR 6480
Mary Rydingsward in her official capacity as treasurer

I. INTRODUCTION

This matter was generated by a Complaint filed by Christopher Healy, State Party Chairman of the Connecticut Republicans, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). It was scored as a low-rated matter under the Enforcement Priority System, a system by which the Federal Election Commission ("Commission") uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue.

A. Factual Background

The Complaint alleges that Working Families Campaign Committee and Mary Rydingsward, in her official capacity as treasurer, (collectively the "State Party")¹ violated the Act and Commission regulations by making contributions to the party's political action committee, CT Working Families Federal PAC d/b/a/ Take Back Congress CT and Timothy Sullivan in his official capacity as treasurer ("Federal PAC"). In response, the State Party asserts that the funds at issue were not "contributions" but rather reimbursements for shared activities that were funded by the Federal PAC.

¹ The State Party is an independent political party registered with the Connecticut State Elections Enforcement Commission.

B. Legal Analysis

Although political committees are prohibited from knowingly accepting a contribution that does not conform to the Act's contribution limits and source prohibitions, *see* 2 U.S.C. § 441a(f); 11 C.F.R. § 110.9, a state party that has established a nonfederal account may allocate certain expenses, such as administrative expenses, between its federal and nonfederal accounts and transfer funds from its nonfederal account to its federal account to cover the nonfederal share of allocable expenses. *See* 11 C.F.R. §§ 102.5, 106.7.

On July 28, 2011, the Federal PAC disclosed the payments from the State Party in a series of amended financial disclosure reports, which included a Schedule H3 (administrative expenses).² Thus, it appears that that the State Party's payments to the Federal PAC were not contributions, but rather were made for the purpose of reimbursing the Federal PAC for allocable expenses. Therefore, there is no reason to believe that Working Families Campaign Committee and Mary Rydingsward, in her official capacity as treasurer, violated 2 U.S.C. § 441a(a) in submitting reimbursements for allocable activity.

² Following the receipt of the Complaint, on July 28, 2011, the Federal PAC amended its 2010 Year-End, February 2011 Monthly, and March 2011 Monthly reports to include a Schedule H, which reflects the expense reimbursements referred to in the Complaint.